

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA  
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER	<input type="checkbox"/>	DATE	<u>January 08, 2020</u>
MOTOR CARRIER MATTER	<input type="checkbox"/>	DOCKET NO.	<u>2019-319-WS</u>
UTILITIES MATTER	<input checked="" type="checkbox"/>	ORDER NO.	<u>2020-36</u>

**THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.**

**SUBJECT:**

DOCKET NO. 2019-319-WS - Joint Application for Approval of the Sale of Assets and Transfer of Facilities, Territory, and Certificate of Public Convenience and Necessity from Harbor Island Utilities, Incorporated to South Carolina Water Utilities, Incorporated - Staff Presents for Commission Consideration the Request for Approval of the Joint Application of the Sale of Assets and Transfer of Facilities, Territory, and Certificate of Public Convenience and Necessity from Harbor Island Utilities, Incorporated to South Carolina Water Utilities, Incorporated.

**COMMISSION ACTION:**

T.J. Barnwell Utility, Inc. owns and operates sewer systems in Beaufort County which serves 326 customers. Harbor Island Utilities, Inc. owns and operates a water and sewer system in Beaufort County which serves 402 water customers and 446 sewer customers. South Carolina Water Utilities, Inc. seeks to acquire the assets and facilities of these entities along with their service territories and certificates of public convenience and necessity. South Carolina Water Utilities, Inc. is a wholly-owned subsidiary of SouthWest Water Company, which also owns Kiawah Island Utility, Inc.

ORS has reviewed the Applications and issued discovery to the Companies. ORS understands that SCWU will absorb the customers, assets and operations of T.J. Barnwell and Harbor Island. Upon close of the sale, the customers formerly served by T.J. Barnwell will continue to be charged for sewer service in accordance with the terms, conditions, rates and charges approved by the Commission in Order No. 2016-49. Likewise, the customers formerly served by Harbor Island will continue to be charged for water and sewer service in accordance with the terms, conditions, rates and charges approved by the Commission in Order No. 2017-80 (A). Joint Applicants state that the day-to-day operations of South Carolina Water Utilities will be conducted using the same personnel currently at T.J. Barnwell and Harbor Island with support and oversight from Becky Dennis, Director of Operations for Kiawah Island Utility, Inc., and her team. This includes weekend licensed duty operators.

ORS also states that it has received the 2018 Annual Reports due for T.J. Barnwell and Harbor Island and there are no outstanding gross receipts assessments. Further, ORS received no customer complaints and no letters of protest in these Dockets.

ORS has made the following recommendations:

- 1) Approval of the sale of assets and transfer of facilities, territory and certificate of public convenience and necessity from Harbor Island and T.J. Barnwell to South Carolina Water Utilities;
- 2) Require South Carolina Water Utilities to charge customers for water and sewer service in

accordance with the rate and charges currently approved by the Commission in Order Nos. 2017-80(A) and 2016-49;

3) Require South Carolina Water Utilities to file updated South Carolina Department of Health and Environmental Control ("SCDHEC") water operating and wastewater disposal permits upon issuance by SCDHEC with the Commission;

4) Require South Carolina Water Utilities to file two separate performance bonds with the Commission at the maximum amount of \$350,000 each, one for water and one for sewer within 30 days of the completion of the sale and transfer; and

5) Require South Carolina Water Utilities to maintain compliance with all Commission rules and regulations related to the provision of water and sewer service.

I move that we approve the requested sale of assets and transfers of facilities, territories, and certificates of public convenience and necessity, and adopt ORS's other recommendations and approve the requests. As there have been no interventions or protests after notice, and there is no rate impact to customers, I move that we waive a hearing in these dockets.

PRESIDING: Randall

SESSION: Regular

TIME: 2:00 p.m.

	MOTION	YES	NO	OTHER
BELSER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
ERVIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WHITFIELD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u> Annual Leave
WILLIAMS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u> Military Leave

(SEAL)

RECORDED BY: J. Schmieding

